



London Transit Commission 2011 Annual Report

Wherever life takes you

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April 26, 2012

To His Worship Mayor Joe Fontana
and Members of Municipal Council

Re: 2011 London Transit Commission Annual Report

On behalf of all London Transit employees and the Commission, I am pleased to submit our 2011 Annual Report for Council's review and consideration. The report summarizes LTC's 2011 performance, including successes and setbacks, both in terms of developing as an organization and building an effective and efficient transit system expected and deserved by Londoners.

2011 was a successful year for London's public transit system. Despite economic uncertainty, the demand or expectation for service beyond the Commission's capacity to provide, and service quality issues (overcrowding, missed passengers and schedule adherence), the service grew and performed well, reaching a 22.8 million ridership mark for both services, the highest in the system's history. System performance for 2011 continues to place London Transit's services at or near the top in all key service efficiency and effectiveness measures compared to its peer group of Ontario transit systems.

While the combination of ridership growth and limited investment in new/expanded service hours has a positive impact on the qualitative performance measures of rides per capita and rides per revenue service hours, it has had a negative impact on qualitative measures such as service performance complaints (i.e. overcrowding, missed passengers, late schedule). Inevitably, continued poor performance in the qualitative measures will have a negative impact on sustainability and growth of the service.

The public and customers alike have clearly indicated that in order to maintain and build ridership, LTC has to:

- increase current service frequency
- expand coverage/catchment area
- provide extended hours of service by time of day and day of week
- add express bus service – reduce travel time
- provide more direct routes reducing the need to transfer
- provide improved access to system information

LTC's Long Term Growth Strategy (LTGS) calls for significant change in the design and delivery of London's public transit service, as well as the establishment and implementation of supportive policies, programs and investment. The direction and requirements of the approved LTGS are reflected in the City of London's Official Plan (urban form) and soon to be completed Transportation Master Plan 2030 (TMP 2030).

The LTGS recognizes that, without significant change in the way service is delivered and supported, ridership will, at best, grow marginally, with a more likely scenario being a ridership loss as the overall

system effectiveness in meeting customer needs/expectations declines and the system becomes more expensive to operate.

Despite the challenges, given current economic reality, constraints on available public investment, nature and extent of competing requests for service, AODA requirements (Integrated Accessibility Regulation) and to maintain competitive pricing, your Transit Commission is committed to building a better transit service in 2012 and beyond for the City of London.

I hereby thank London Transit employees for their dedication and commitment as well as Municipal Council and the Civic Administration for their continued support, particularly given the City's fiscal challenges.

Yours truly,



Harold Usher
Chair

THE LONDON TRANSIT COMMISSION

COMMISSION - CURRENT

HAROLD USHER	CHAIR
DAVID WINNINGER	VICE CHAIR
FRANK BERRY	COMMISSIONER
SANDY WHITE	COMMISSIONER
ERIC SOUTHERN	COMMISSIONER

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KELLY PALECZNY	DIRECTOR OF FINANCE & ADMINISTRATION
JOHN FORD	DIRECTOR OF TRANSPORTATION & PLANNING
DAVID ANDERSON	DIRECTOR OF PLANT & EQUIPMENT
ANDY HYNES	DIRECTOR OF HUMAN RESOURCES

EXECUTIVE SUMMARY

2011 saw a continuation of the increase in ridership on both conventional and specialized transit that started in 1996. The 2011 increase in ridership occurred notwithstanding economic uncertainty, increase in service quality complaints, limited supportive service hours investment and demand or expectations for service exceeding the Commission capacity to provide.

Combined ridership for both services reached the 22.8 million rides mark in 2011, the highest in London Transit history. From a quantitative perspective, evidenced by such indications as rides per capita, revenue cost recovery, cost per rides, system performance continues to place London Transit at or near the top in all key service efficiency and effectiveness measures compared to its peer group of Ontario Transit systems.

However, from a service quality perspective, particularly in the area of late schedule, missed passengers and overcrowding, the system has not performed as well noting such complaints have increased by 55% over the last three years.

In 1996, total transit ridership bottomed out at 12.4 million. The 22.8 million rides for 2011 represents an increase of 84% since 1996. Over the period combined revenue service hours for the two systems increased by 20% going from 534,000 hours to 643,000 hours on an annual basis. The disparity between ridership growth and the growth in service hours has contributed to service quality pressures raising the question of sustainability. Inevitably, continued poor performance in the qualitative measures will have a negative impact on sustainability and growth of the service.

Customer and the public alike have clearly indicated that in order to maintain and build ridership, LTC has to:

- increase current service frequency
- expand coverage/catchment area
- provide extended hours of service by time of day and day of week
- add express bus service – reduce travel time
- provide more direct routes reducing the need to transfer
- provide improved access to system information

LTC's Long Term Growth Strategy (LTGS) calls for significant change in the design and delivery of London's public transit service, as well as the establishment and implementation of supportive policies, programs and investment. The direction and requirements of the approved LTGS are reflected in the City of London's Official Plan (urban form) and soon to be completed Transportation Master Plan 2030 (TMP 2030).

The LTGS recognizes that, without significant change in the way service is delivered and supported, ridership will, at best, grow marginally, with a more likely scenario being a ridership loss as the overall system effectiveness in meeting customer needs/expectations declines and

the system becomes more expensive to operate. The system needs to migrate to a higher form of service delivery which requires increased investment. Without migration to a higher form of service delivery supported by transit related policies, programs and investment, the system will cost more to carry the same or fewer riders. The respective plans call for the system to move to an “enhanced corridors and nodes” design using a Bus Rapid Transit (BRT) platform.

As discussed in the body of the report, 2011 saw progress on a number of key initiatives including:

- lowering non-accommodated trip levels on specialized transit service
- approval of upgrading and standardization of the system’s 2,200 bus stop signs
- installation of a bus security camera system on all buses installation of bike racks on all buses
- renewed management focus on customer service performance
- start of operations at the new 140,000 sq. foot energy efficient, ‘state-of-the-art’ 100-bus maintenance and storage satellite facility

2012 will see a continuation of many of the initiatives all of which are related to, and supportive of, balanced sustainable growth of the system; a particular challenge in uncertain economic times. A number of the more significant issues include:

- finalizing the development, approval and implementation of the City of London’s Transportation Master Plan 2030 (TMP 2030)
- implementation requirements associated with the Accessibility for Ontarians with Disability Act – Integrated Accessibility Regulation, including the development of London Transit’s first multi-year Accessibility Plan
- finalizing the development and phased implementation of smart card technology, which, when fully implemented, will replace existing ticket, monthly pass and tuition based pass programs
- placing into service the 2011 and 2012 new 28 replacement and expansion buses providing London Transit with a fully accessible fleet a year ahead of schedule
- finalizing construction and hook-up of the \$1.5 million roof top solar panel system at the satellite facility, providing London Transit with approximately \$130,000 in revenue each year for 20 years
- continued development and implementation of customer services initiatives including customer service training and performance management

Building a better transit service in 2012 and beyond will be challenging given current economic reality, constraints on available public investment, nature and extent of competing requests for service (within and between the two services), AODA requirements (Integrated Accessibility Regulation) and the challenge to maintain competitive pricing.

2011 OPERATING AND CAPITAL BUDGET PROGRAM SUMMARY

Operating Budget Program Results - Conventional Transit Service

The following table provides a summary of actual to budget performance of the 2011 current operations for the conventional transit service. As indicated, revenues exceeded expectations by approximately \$1.921 million, while direct operating costs were less than budget by \$0.348 million resulting in a favourable surplus of \$2.269 million.

2011 Statement of Operations - Conventional Transit Services (amounts in millions)

Description	2011 Actual	2011 Budget	Amount Better (Worse)	Percent Better (Worse)
Revenue (1)				
Transportation	\$ 30.121	\$ 28.528	\$ 1.593	5.6 %
Operations	1.204	0.849	0.355	41.8%
Reserves and reserve funds	1.181	0.758	0.423	55.8%
Province of Ontario (gas tax)	3.704	4.154	(0.450)	(10.8)%
City of London	19.882	19.882	-	0.0%
	\$ 56.092	\$ 54.171	\$ 1.921	3.5 %
Expenditure (1) (2)				
Transportation	\$ 28.502	\$ 28.091	\$ (0.411)	-1.5%
Fuel	7.246	6.900	(0.346)	-5.0%
Vehicle maintenance and servicing	11.032	11.368	0.336	3.0 %
Facility	2.493	2.907	0.414	14.2 %
General and administrative	3.931	4.286	0.355	8.3 %
Total direct operating cost	53.204	53.552	0.348	0.6%
Contribution to reserves	2.888	0.619	(2.269)	-
	\$ 56.092	\$ 54.171	\$ (1.921)	-3.5%
Performance indicators				
Service area population	0.365	0.365	-	0.0%
Total revenue service hours	0.548	0.547	0.001	0.2 %
Total rides	22.460	21.346	1.114	5.2 %
Rides per capita	61.5	58.5	3.05	5.2 %
Direct operating cost per ride	\$ 2.37	\$ 2.51	\$ 0.15	6.0%
Total expenditure cost sharing				
Passenger	53.7%	52.7%	(1.0)%	(2.0)%
Operations	2.1%	1.6%	(0.6)%	-37.0%
Reserves and Reserve funds	2.1%	1.4%	(0.7)%	-50.5%
Province of Ontario	6.6%	7.7%	1.1 %	13.9 %
City of London	35.4%	36.7%	1.3 %	3.4%
	100.0%	100.0%	-	-

Notes

(1) Excludes receipt of funding placed in reserves and subsequently applied to approved operating programs

(2) Excludes impact of public reporting requirements respecting tangible assets and claims against future years

In summary, the major items impacting the 2011 operating budget performance were:

- ridership exceeding budget by 5.2 percent or 1.114 million, resulting in higher revenues of \$1.593 million
- other revenues being higher than expected re:
 - better than budget investment income (including that earned on reserves) of \$0.365 million
 - higher than expected funding requirements from public liability reserve fund of \$0.554 million
- higher fuel costs contributing to an unfavourable variance of \$0.346 million
- higher transportation costs of \$0.411 million relating to service hours exceeding budget, higher servicing costs associated with smart bus technology and higher insurance costs
- lower vehicle maintenance costs of \$0.336 million largely related to personnel cost avoidance resulting from delay in opening of satellite facility and vacancy management initiatives
- lower facility costs of \$0.414 million relating to the delay in opening the satellite facility, lower utility costs and snow plowing/removal costs at facilities and stops
- lower general and administrative costs of \$0.355 million relating to the reduction in printing of ride guides and route schedules and the nature and extent of planning studies undertaken

The resulting overall net favourable surplus was applied to the public liability reserve fund which had significantly declined, with an unencumbered balance of approximately 10% versus the established administrative guideline of between 50% and 60%.

Operating Budget Program Results - Specialized Transit Service

The 2011 Statement of Operations for the specialized transit service is set out below. As indicated, actual results were consistent with approved budget. Higher transportation revenues were offset with lower allocation from Provincial Gas Tax program and net favourable expenditure variance.

2011 Statement of Operations - Specialized Transit (amounts in millions)

Description	2011 Actual	2011 Budget	Amount Better (Worse)	Percent Better (Worse)
Revenue (1)				
Transportation	\$ 0.462	\$ 0.436	\$ 0.026	6.0 %
Province of Ontario (gas tax)	0.633	0.661	(0.028)	(4.2)%
City of London	3.023	3.023	-	0.0 %
	\$ 4.118	\$ 4.120	\$ (0.002)	(0.0)%
Expenditure (1) (2)				
Transportation				
Brokerage	\$ 0.624	\$ 0.640	\$ 0.016	2.5 %
Service delivery	3.339	3.325	(0.014)	(0.4)%
Get on board program	0.064	0.064	-	0.0 %
	4.027	4.029	0.002	0.0 %
Administration	0.091	0.091	-	0.0 %
	\$ 4.118	\$ 4.120	\$ 0.002	0.0 %
Performance indicators				
Population	0.365	0.365	0.000	0.0 %
Revenue service hours	0.103	0.102	(0.001)	(1.0)%
Ridership				
Eligible passenger trips	0.228	0.223	0.005	2.0 %
Attendant trips	0.027	0.025	0.003	11.0 %
	0.255	0.248	0.007	13.0 %
Rides per capita - total ridership	0.70	0.68	0.02	2.9 %
Municipal investment total ridership	\$ 11.86	\$ 12.20	\$ 0.34	2.8 %
Direct operating cost total ridership	\$ 16.15	\$ 16.63	\$ 0.48	2.9 %
Rides per hour - total ridership	2.5	2.4	0.1	2.3 %
Total expenditure cost sharing				
Passenger	11.2%	10.6%	0.6 %	6.0 %
Province of Ontario	15.4%	16.0%	(0.6)%	(3.6)%
City of London	73.4%	73.4%	0.0 %	0.0 %
	100.0%	100.0%	-	-

Notes

- (1) Excludes receipt of funding placed in reserves and subsequently applied to approved operating and capital
- (2) Excludes impact of public reporting requirements respecting tangible assets and claims against future years

Capital Budget Program Results - Public Transit Services

The 2011 capital budget program, including carry forward amounts from 2010, totalled approximately \$19.681 million. The make-up and status of the respective projects and summary of capital funding sources are set out in the following table.

Summary - 2011 Capital Budget Performance (amounts in millions)

Program	Actual	Budget	Amount Better (Worse)	Status
Service				
Fare collection system - smart card system	\$ 0.233	\$ 2.097	\$ 1.8640	carry fwd
Stop upgrades	0.029	0.215	0.186	carry fwd
Transit priority measures	-	2.345	2.345	carry fwd
Bike rack on buses	0.125	0.142	0.017	complete
Transit safety and security	0.537	1.400	0.863	carry fwd
Facility				
Facility expansion - satellite	1.833	2.841	1.008	carry fwd
Facility upgrades - 450 Highbury	0.150	0.329	0.179	carry fwd
Facility upgrades - stimulus program	0.531	0.691	0.160	complete
Fleet				
2011 bus replacement - 11 buses	1.968	6.213	4.245	carry fwd
2011 bus expansion - 1 bus - new growth area	0.013	0.689	0.676	carry fwd
2011 bus expansion - 1 bus - existing service area	0.013	0.462	0.449	carry fwd
2012 bus replacement - 2 buses	1.334	1.366	0.032	carry fwd
Other				
Service fleet	0.090	0.116	0.026	complete
Shop and garage equipment	0.204	0.275	0.071	carry fwd
Information system software/hardware	0.137	0.500	0.363	carry fwd
	\$ 7.197	\$ 19.681	\$ 12.484	

Summary - 2011 Sources of Capital Funding (amounts in millions)

Source	Actual	Budget	Amount Better (Worse)	Percent of Total Funding
City of London - Capital Levy/Debt	\$ 2.051	\$ 3.877	\$ 1.826	19.7%
City of London - Development Charges	-	0.377	0.377	1.9%
Province of Ontario - Prov Gas Tax	2.426	10.555	8.129	53.6%
Province of Ontario - Invest in Ontario	1.729	1.729	-	8.8%
Government of Canada - Federal. Gas Tax	-	1.500	1.500	7.6%
LTC Capital Program Reserve	0.460	0.952	0.492	4.8%
Economic Stimulus Funding ⁽¹⁾	0.531	0.691	0.160	3.5%
	\$ 7.197	\$ 19.681	\$ 12.484	100.0%

Notes

(1) Capital funding shared equally by the three levels of government in support of economic recovery

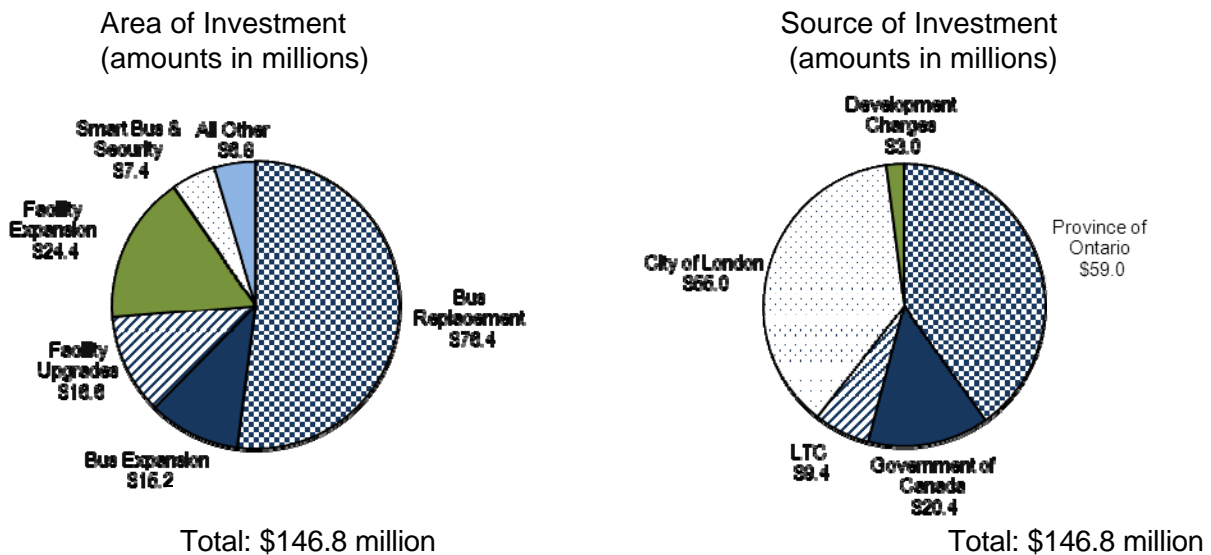
The 2011 capital budget program included a number of key projects that continue the process of putting in place the supporting infrastructure to maintain and build London's public transit system. A summary of a number of the more significant projects, including those that are multi-year projects, is as follows:

- the final stages of construction of a satellite 100 bus storage and maintenance facility. Construction commenced late in the second quarter of 2009, with the facility becoming operational in May 2011. The total estimated cost of the project is \$23.8 million, which included the supply and installation of solar panels at a cost of approximately \$1.5 million
- the final stages of upgrades/renovations to the 60 year old 450 Highbury Ave. facility which was funded by the approximate \$7.1 million received under the federal/provincial and municipal economic stimulus program. The major work focused on upgrades to building systems (i.e. electrical, HVAC, air make-up), roof replacement, and washroom upgrades
- approximately \$9.7 million for the purchase of replacement and expansion buses, which are scheduled to be available for service by April 2012

Approximately 70% of the 2011 capital expenditure budget of \$19.681 million is provided by the two senior levels of government.

Infrastructure Investment

Over the 10 year period of 2002–2011, there has been significant investment and focus on infrastructure renewal and expansion addressing a critical deficit and putting in place infrastructure supporting sustainability and future growth. Provincial and Federal investment have played a key part in addressing the infrastructure deficit and required expansion funding approximately 55% of total investment requirements. The following charts depict the area of infrastructure investment and sources of funding over the past 10 years.



The investment in fleet, coupled with new and renewed focus on preventative maintenance and risk transfer, has contributed to:

- lower vehicle maintenance cost, going from \$0.27 per dollar of direct operating cost to \$0.20 per dollar of direct operating cost
- reduced spare fleet requirements by four buses
- improved service reliability given an 50% reduction in service interruptions relating to vehicle performance
- an improved environmental footprint
- providing a full accessible fleet two years earlier than originally planned.

In respect of investment from the senior levels of government, the Province of Ontario via the Provincial Gas Tax program, from 2004 to 2011, provided approximately \$17.0 million for the conventional and specialized transit services operating budgets. The investment has supported the addition of 37,000 revenue service hours on the specialized transit service and 42,000 revenue service hours of the conventional transit service. The hours were critical to maintaining and building ridership, which over the period has increased by a combined 4.6 million trips.

Without the investment, the projects and increase in service hours would not have proceeded, and/or required extended development and implementation time as the projects would have required the City of London to provide 100% of the investment. Without such investment, continued and sustained growth would not have been possible. These investments are good for the economy, environment and the provision of improved access to the community.

2011 PERFORMANCE AND BENCHMARKING

Conventional Transit Services – in Comparison to Other Ontario Transit Systems

London Transit measures/monitors performance from both a financial and service perspective in comparison to other Ontario transit systems with bus operations only and having populations of greater than 100,000. The following table sets out a comparison of key financial and service performance indicators for 2010 of LTC versus the Ontario group average. 2011 data is also provided for London (2011 group average not available at time of printing). The 2010 comparison is based upon information compiled and published by the Canadian Urban Transit Association.

Summary Key Performance Indicators
16- Ontario Transit System - Bus Only Operations - Population Greater 100,000
Based Upon 2010 Performance

Description	2010 Ontario Systems (1)	2010 LTC		2011 LTC Actual
		Actual	Rank	
Population (millions)	5.409	0.362	7th	0.365
Service				
Ridership (millions)	169.361	21.211	3rd	22.460
Hours of revenue service per capita	1.3	1.5	3rd	1.5
Rides per capita	31.3	58.5	1st	61.5
Rides per revenue service hour	25.1	39.5	1st	40.90
Direct operating cost /revenue service hour (2)	\$ 104.05	\$ 91.55	10th	\$ 97.09
Source of investment				
Passengers, operating and reserves	44.0 %	59.4 %	1st	58.0%
Province of Ontario	10.1 %	4.8 %	12th	6.6%
Municipality	45.9%	35.8 %	16th	35.4%
	100.0%	100.0%		100.0%

Notes

- (1) Ontario systems excludes Ottawa, GO and Toronto given their size, service design and delivery model. Covers 16 bus only systems with populations of greater than 100,000, including London
- (2) Cost make up subject to structure of transit systems i.e. private sector delivery, department of the City as such cost structure and reporting may be different. LTC costs represents full cost.

In summary, in comparison to the Ontario group average, which includes London, LTC is:

- 7th (largest) in terms population
- 3rd (highest) in terms of ridership
- 1st (highest) in respect of rides per capita and rides per revenue service hour
- 16th (lowest) in terms of municipal operating investment expressed as a percent funding of direct operating costing
- 1st (highest) in terms of percent funding provided by passengers and operations

The financial and service performance measurements and ranking are reflective of a number of items, the emphasis on which is unique to the respective municipalities. These include:

- the level of commitment and related fiscal support (investment) in transit for each jurisdiction
- the status of the system in terms of development – system size, level of service and form of service delivery
- the nature and extent of the municipality, i.e. geographic area, land use and nature of development
- population and demographics
- fare pricing and programs
- cost make-up, noting LTC's cost information is inclusive. Certain costs (e.g. human resources, finance and facility) for systems that are departments of the municipality are not necessarily shown as transit costs but rather as corporate costs for comparator systems

As a collective, the ranking demonstrates that, on balance, London Transit has been effective in generating a ridership return (evidenced by rides per capita), balancing ridership growth pressures and cost, fare pricing and municipal investment.

As noted, municipal operating investment in London's public transit system is the lowest of the 16 identified Ontario transit systems as evidenced by municipal operating investment expressed as a percent funding of direct operating cost.

In terms of direct operating cost investment, as set out below, where London Transit invests is, for the most part, consistent with other Ontario transit systems. Of note:

- London Transit (and the southwestern Ontario market) has traditionally paid higher fuel prices than other areas of the province
- the reported higher vehicle maintenance cost is influenced by a number of factors including average fleet age, number of facilities and how expenditures are recorded i.e. for contracted service vehicle maintenance costs are not necessarily separated from transportation costs
- London Transit administrative costs continue to be well below the group average

London's total investment in "on-road service" for 2010 when expressed as percentage of total direct operating costs exceeds the 2010 Ontario average at 85.4%. The percentage indicates that \$0.85 of every direct operating dollar invested is applied to service on the road. In 2011, the percentage increased from 85.4% to 87.9% or by 3%.

**Summary of Direct Operating Cost - By Function
16- Ontario Transit System - Bus Only Operations - Population Greater 100,000
Based Upon 2010 Performance**

Cost Make up	2010 Ontario Systems (2)	2010 LTC Actual	2011 LTC Actual
Transportation services	59.6%	55.2%	53.6%
Fuel	10.6%	11.5%	13.6%
Vehicle maintenance	17.0%	20.8%	20.7%
Total on road service	84.6%	85.4%	87.9%
Facility	3.7%	4.7%	4.7%
General & Administrative	9.2%	7.7%	7.4%
Total ⁽¹⁾	100.0%	100.0%	100.0%
Direct operating cost /revenue service hour	\$ 104.05	\$ 91.55	\$ 97.09

Notes

- (1) Cost make up subject to structure of transit systems i.e. private sector delivery, department of the City, as such cost structure and reporting may be different. LTC costs represent full cost
- (2) Ontario systems excludes Ottawa, GO and Toronto given their size, service design and delivery model. Represent 16 bus only systems with populations of greater than 100,000 including London

Conventional Transit Service – Trending Key Performance Indicators

In addition to comparing performance to Ontario transit systems, performance is compared on a year over year basis. The following table sets out the change/trend in a number of key service and performance indicators based upon the three year period of 2009-2011.

Conventional Transit Services - Key Performance Indicators - 2009 to 2011

Measure	2009 ⁽¹⁾	2010	2011	% Change
Service area population (millions)	0.356	0.365	0.365	2.5 %
Total ridership (millions)	21.577	21.211	22.460	4.1 %
Service hours (millions)	0.536	0.538	0.548	2.3 %
Service utilization				
Rides per capita	60.6	58.1	61.5	1.5 %
Rides per revenue service hour	40.3	39.4	41.0	1.8 %
Service hours per capita	1.5	1.5	1.5	(0.2)%
Service efficiency/effectiveness				
Direct operating cost /rider	\$ 2.23	\$ 2.32	\$ 2.37	6.2 %
Direct operating cost/revenue service hour	\$ 89.68	\$ 91.55	\$ 97.09	8.3 %
Municipal operating investment per ride	\$ 0.81	\$ 0.86	\$ 0.89	9.3 %

Notes

- (1) Adjusted to exclude impact of 33 days without transit services

Of particular note are the following:

- ridership growth has exceeded population growth over the period
- service hours per capita has remained constant
- rides per capita and rides per revenue service hour continue to improve
- direct operating costs expressed as percent of cost per revenue service hour has increased higher than the combined rate of inflation (5.3%) and growth costs (hours of service of 2.3%) of 7.6%. Two of the more significant cost drivers contributing to the higher costs have been:
 - fuel costs which have gone from \$4.6 million in 2009 to \$7.2 million in 2011 for an increase of 56%
 - insurance costs which have gone from \$1.7 million in 2009 to \$2.2 million in 2011 for an increase of 30%

In actual dollars, the two items increased by \$3.1 million. By way of comparison over the same two year period, City investment increased by \$2.3 million or approximately 74% of the increase in the two identified expenditure items.

As indicated, in terms of maximizing return on investment, the service continued to improve evidenced by both the increase in rides per capita and rides per revenue service hour. That being said, the other key consideration with respect to performance is the question of "how well the service delivered". The table that follows provides a summary of a number of key customer service performance trends over the past three years. As indicated:

- the number of preventable accidents, expressed in terms of accidents per 1 million kms is up marginally going from 3.7 to 3.8 accidents. The performance supports the provision of a safe ride.
- there has been improvement in the frequency (mean kms.) of service pull-ins (7.3%) and in-service repairs (46.4%). The performance supports improvement in trip quality, and reducing interruptions associated with vehicle performance.
- there has been an increase in the number of compliments with the most significant increase being in terms of operator performance
- overall complaints are down, however service performance complaints with respect to late schedule, missed passenger and overcrowding are up by 55%

While the rides per service hour or per capita will indicate whether the service is providing a good return on investment, from a customer's perspective, noting the higher this measure the better the return, increasing the number of rides per service hour has contributed to a number of undesirable outcomes including overcrowding, schedule adherence issues and being left at stops.

Selected Key Customer Service Performance Measures - 2009 - 2011

Description	2009	2010	2011
Preventable accidents	38	75	44
Preventable accidents per 1 million kms	3.7	6.5	3.8
Percent change			-1.7%
Service (pull-ins) interruptions	2,413	2,547	2,561
Mean kms between service interruptions	4,221	4,497	4,528
Percent change			7.3%
In-service repairs	3,012	2,646	2,343
Mean kms' between in-service repairs	3,382	4,328	4,950
Percent change			46.4%
Customer contacts (1)			
Total compliments	220	238	307
Total compliments per 10,000 riders	0.11	0.11	0.14
Percent change			18.9%
Total complaints	2,446	2,537	2,842
Total complaints per 10,000 riders	1.28	1.20	1.27
Percent change			-1.0%
Total requests	719	460	473
Total requests per 10,000 riders	0.38	0.22	0.21
Percent change			-43.9%
Total customer contacts	3,385	3,235	3,622
Total contacts per 10,000 riders	1.77	1.53	1.61
Percent change			-8.8%
Service performance complaints	617	851	1,262
Percent of all complaints	25.2 %	33.5 %	44.4 %
Complaints per 10,000 riders	0.32	0.40	0.56
Percent of change			74.3%
Major service performance complaints			
Late schedule	156	178	322
Missed passengers	296	396	496
Overcrowding	22	22	44
	474	596	862
Percent of all service complaints	76.8 %	70.0 %	68.3 %
Complaints per 10,000 riders	0.25	0.28	0.38
Percent of change			55.0%

Note

(1) Customer contacts are broken down into service performance, service development operator performance, equipment, amenities, fares and other.

Specialized Transit Service - Comparison to Other Ontario Systems

As with conventional service, specialized service results are compared with other Ontario transit systems. The following table provides a comparison of key service and financial indicators to all Ontario transit systems providing specialized service including London.

While the LTC is at the low end in terms of the financial indicators, trips per capita for 2010 exceeded the group average. The lower trips per capita is reflective of a number of factors including the system design, the level of investment and the success of various initiatives to shift trips from specialized transit services to accessible conventional transit. The trips per capita improved for 2011.

As with conventional transit service, London’s specialized transit service receives one of the lowest levels of municipal operating investment (per trip basis) and has one of the lowest operating cost per trip averaging approximately 50% of the Ontario average.

**Summary of Service and Financial Performance Indicators - Specialized Transit
80 Reporting Systems - 2010 - 2011**

Indicator	2010 Ontario Average	2010 LTC Actual	2011 LTC Actual
Service Utilization			
Total trips per capita	0.63	0.65	0.70
Financial Indicators			
Source of funding			
Percent of revenue recovery	8.7%	11.1%	11.2%
Percent of provincial operating investment	3.4%	12.0%	15.4%
Percent of other	0.2%	0.0%	0.0%
Percent of municipal operating investment	87.6%	76.9%	73.4%
	100.0%	100.0%	100.0%
Municipal operating investment per trip	\$25.30	\$12.16	\$11.86
Total operating cost per trip	\$28.88	\$15.81	\$16.15

Specialized Transit Service – Trending Key Performance Indicators

In addition to comparing performance to Ontario transit systems, performance is compared on a year over year basis. The comparison is set out in the following table. As depicted,:

- there is continued growth in registrants and eligible passenger trips as well as the average number of trips per registrant
- there has been significant investment in additional service hours, growing by 14.7% over the period (2009 – 2011)
- there has been improvement in the number of cancellations recognizing cancellations are unique to the characteristic of the customers of the service
- the non-accommodated trip rate continues to experience moderate improvement

Summary Trends - Key Service Performance Indicators 2009 to 2011

Description	2009 Actual	2010 Actual	2011 Actual	Percent Change 09 vs. 11
Average registrants for the year	3,632	3,886	4,022	10.7 %
Service hours (000 omitted)	89.4	96.7	102.5	14.7 %
Total ridership				
Eligible passenger trips (EPT)	196,348	212,764	227,671	16.0 %
Attendant/companion trips	23,226	25,229	27,296	17.5 %
	219,574	237,993	254,967	16.1 %
Eligible passenger trips per average registrant	54.1	54.8	56.6	4.7 %
Service availability - allocation of total bookings				
Percent of cancellation	14.7%	13.9%	13.5%	(8.2)%
Percent of no shows	1.5%	1.5%	1.6%	6.7 %
Percent of completed trips	83.8%	84.6%	84.9%	1.3 %
	100.0%	100.0%	100.0%	–
Percent non accommodated trips ⁽¹⁾	3.3%	2.3%	2.2%	(33.3)%
Same day bookings	18,019	19,941	20,232	12.3 %
Service quality				
Percent of rides over 60 minutes ⁽²⁾	1.8%	2.2%	1.5%	(16.7)%
Percent of pick-up over 30 minutes ⁽²⁾	0.4%	0.5%	0.4%	0.0 %
Service utilization				
Trips per capita	0.61	0.65	0.70	14.5 %
Service hours (primary and secondary)	89,400	96,700	102,595	14.8 %
Total trips per service hour	2.46	2.46	2.49	1.2 %

Notes

(1) Expressed as percent of total EPT bookings. A non-accommodated trip is one not provided within 30 minutes on either side of the requested time.

(2) Expressed as rides per service hour

OVERVIEW - 2011 WORK PLAN INITIATIVES

Each year, a work plan is established supporting continued progress toward meeting the strategies and objectives set out in London Transit's Business Plan. The work plan is supported by annual operating and capital budget programs.

For 2011, there were 89 programs listed on the plan, noting certain of the programs had multiple parts and/or are subject to more detailed plans and timetables. Of the 89 programs listed, 44 (or 49%) were completed, 40 (or 45%) were considered "in progress" reflecting in many respects the nature of the initiative and five were deferred. Performance with respect to the completion of the projects was influenced by the time/resources spent on certain programs and the introduction of new programs, certain of which were the result of legislation. Summary comments regarding a number of the 2011 initiatives follows.

Customer Service Initiatives

2011 saw the continued development and implementation of a number of initiatives, certain of which commenced in 2010. The initiatives have a common underlying objective of "improving the customer's transit experience" which include:

- The move to a perimeter seating design on buses (commencing with the 2010 new bus order), affording greater clearance for standing, mobility aids and strollers. With receipt of the 2011 and 2012 bus orders, approximately 22% of LTC's fleet will include perimeter seating design.
- Upgrading of bus stops signs. The existing 2,200 traditional black/yellow bus stop signs are in the process of being replaced with larger signs that are white/blue in colour, are reflective and have anti-graffiti coating. The replacement will be completed for the start-up of the 2012 fall service. The new design provides for consistent messaging relating to route information, stop identification number and contact references to access either real-time or scheduled service information and as such, is seen as a critical communication tool. As the new signs are installed, the extent to which service information is accessed via the Interactive Voice Response (IVR) system and WebWatch is expected to increase.
- Installation of a bus security camera system on all buses in 2011. The \$0.9 million system supports passenger, Operator and vehicle safety and provides the opportunity in selective investigations to confirm events. As the awareness of the system and the rigors applied to it increases, it is expected to have a positive influence on how well the service is delivered.
- Installation of bike racks on all buses linking two forms of travel and increasing the transit service catchment area, expanding the transit market.
- Providing refresher customer service training. To-date, 139 Operators, management and administrative staff have gone through the program. When coupled with the new hires over the past three to four years receiving the training as part of their initial four week training program, it is estimated that 80% of targeted employees have received the training.

- Renewed management focus on customer service performance via increased management presence on the system, focused management attention on specific performance behaviour issues and the establishment of performance targets and reporting against such targets throughout the course of the year
- Establishment of an Operator customer service focus group to debate, discuss and confirm direction on issues pertaining to customer Operator interaction e.g. the development of a customer service charter
- Establishment of an independent observer program. The program provides for contract services to conduct random assessments of all elements of the customer transit experience including service performance, bus and stop condition, operator performance, and customer performance. The program has provided critical confirmation of positive Operator performance as well identified areas where improvements are necessary (e.g. state of repair of stops).

The various initiatives follow on the heels of perhaps the most significant investment, the investment in upgraded smart bus technology. The technology provides critical service monitoring, provides customers with access to real-time service information, and provides visual and audio display of next stop, announcement of route and direction as well as critical planning data via ridership counts.

Development and Implementation of 2011 Specialized and Conventional Service Plans

The respective service plan for conventional transit focused on balancing improved customer service considering fiscal reality and LTC's Long Term Growth Strategy. As set out below, the 2011 conventional service plan addressed approximately 5% of requested service, with areas of investment being on:

- schedule adherence, overcrowding and transfer connection issues on existing routes
- extending service to the West Beaverbrook area
- expanding accessible conventional public transit services

Conventional Transit 2011 Service Plan - Service Hours Requested vs. Implemented

Description	Service Requests	Actual Serv. Plan	Percent Satisfied
Service Improvement - Specific Route Requests			
New service area	1,050	1,050	100.0 %
Existing service area	20,660	2,580	12.5 %
Service Improvements - System Wide Requests			
Added hours by time of day, day of week	52,660	-	0.0 %
Total hours	74,370	3,630	4.9 %
Required total operating expenditure investment	\$4,834,100	\$ 236,000	4.9 %

While certain schedule and overcrowding issues were addressed, the continued growth of ridership (over expectations) continues to result in increased complaints regarding overcrowding and missed passengers, which have increased by some 55% over the past 3 years.

The specialized service plan saw the phased introduction of 5,800 hours of service focusing on addressing the level of non-accommodated trips and service demands associated with the continued growth in the number of registrants.

Development of the City's Transportation Master Plan 2030 (Smart Moves)

LTC continued to participate in the completion of the City of London's Transportation Master Plan 2030 (TMP 2030). The TMP 2030 is supportive of LTC Long Term Growth Strategy. The work involved exploring different transportation options and alternatives, including confirmation of the potential nodes and corridors for development and higher order of transit and what that higher order of transit service may look like. The approval of the TMP 2030, including the implementation strategy, is targeted for mid-2012.

Facility Expansion – Satellite Facility

The new 140,000 sq. foot energy efficient, state of the art 100-bus maintenance and storage satellite facility, costing \$23.8 million became operational in May 2011. The facility is critical to addressing current capacity issues and having supporting infrastructure in place as the system continues to grow. The new facility is strategically located in the south/west part of the City (Wonderland/Wharcliffe) which is an area designated for future growth.

At December 31, 2011, the only outstanding work related to the facility was completing the installation and hook-up of the roof top solar panel system. The system cost \$1.5 million and will create approximately \$130,000 in revenue for LTC operations each year for 20 years.

AODA – Integrated Accessibility Regulation

The Integrated Accessibility Regulation under AODA became effective in 2011. Over the past five to six years, London Transit Administration has been actively representing the Ontario transit industry, London Transit and the City of London in the development of the Regulation. The Integrated Accessibility Regulation deals with areas of transportation, employment and information and communication. In succeeding years, significant resources will be required to address respective standard requirements.

THE ROAD AHEAD – 2012 WORK PLAN INITIATIVES

The 2012 work plan initiatives call for continued development/implementation of a number of key initiatives some of which commenced in prior years. These include:

- Working in concert with Civic Administration and Consultant on finalizing the City of London's TMP 2030, including the establishment of a related implementation strategy. The transit component of the TMP 2030 reflects a nodes corridor strategy employing a Bus Rapid Transit platform. The final plan is scheduled for approval by Municipal Council in mid-2012. The approval and implementation of the TMP 2030 is critical to redefining the overall service in terms of routing design, service frequency and system capacity.
- Transitioning over the first six months of 2012, the replacement of 25 buses and receipt of three expansion buses, noting with the receipt of the 25 replacement buses, LTC's bus fleet will be fully accessible, one year ahead of the original schedule.
- Continued work on the development and implementation of the Accessibility for Ontarians with Disabilities Act (AODA) including:
 - implementation of the 2012 requirements associated with the AODA - Integrated Accessibility Regulation
 - in concert with the City of London and Association of Municipalities of Ontario, continue work on development of Built Environment Standard
 - development of the first multi-year Accessibility Plan consistent with the requirements of the AODA and ODA
- Development and phased implementation of a smart card strategy/program for LTC, noting the program will significantly change how current and future ticket and pass riders pay for the service.
- Finalize development of the 2011 to 2015 LTC Business Plan, consistent with direction of the LTC Long Term Growth Plan, TMP 2030 and the City of London's redefined Business Plan process.
- Working in concert with the Ontario transit industry in the updating of transit performance review guidelines (internal performance audit) and implementing same at LTC, which includes incorporating the principles of "results-based accountability". The two linked initiatives are seen as critical training and development tools for Managers in ensuring efficient and effective application of constrained resources.
- Continued development and implementation of customer services initiatives including customer service training and performance management.